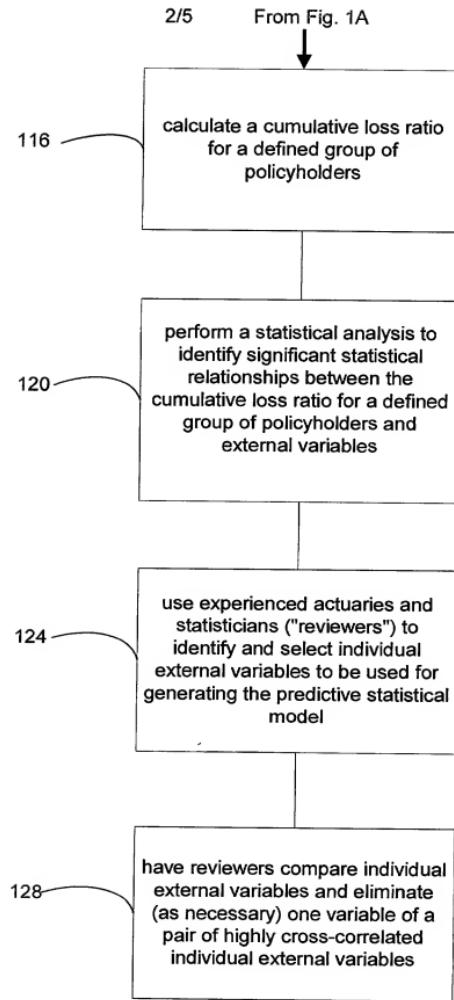
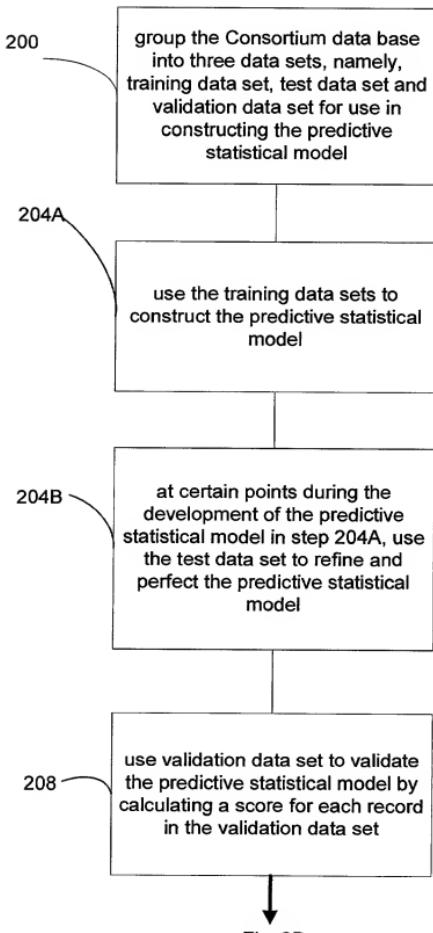


Fig. 1A

Fig. 1B





From Fig. 2A

212

attach the score to each record in the validation data set and sort by score in plurality of bins of equal size (for example, ten regions of equal size, i.e., deciles)

216

calculate the cumulative loss ratio of each decile using the work data calculated in step 108

220

calculate the loss ratio relativity of each decile (i.e., the cumulative loss ratio of the decile minus the cumulative loss ratio of the entire validation data set) divided by the cumulative loss ratio of the entire validation data set

224

use predictive statistical model to score new policyholders and determine future profitability as such score relates to the loss ratio relativity of the validation data set which provides an estimation of the future profitability

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Fig. 2B

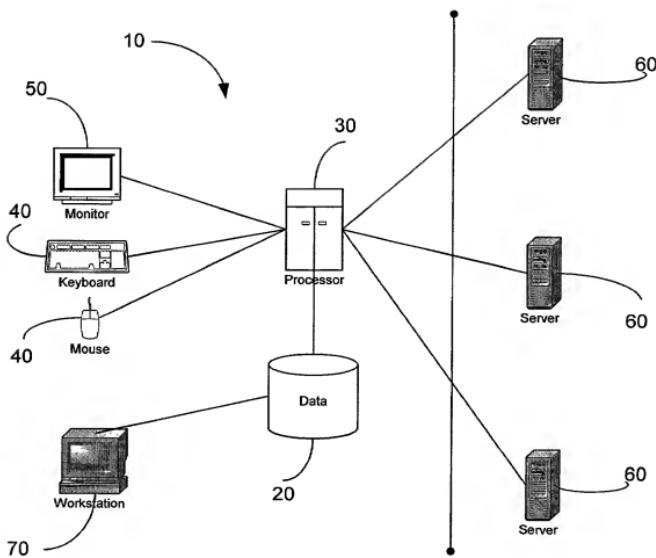


Fig. 3